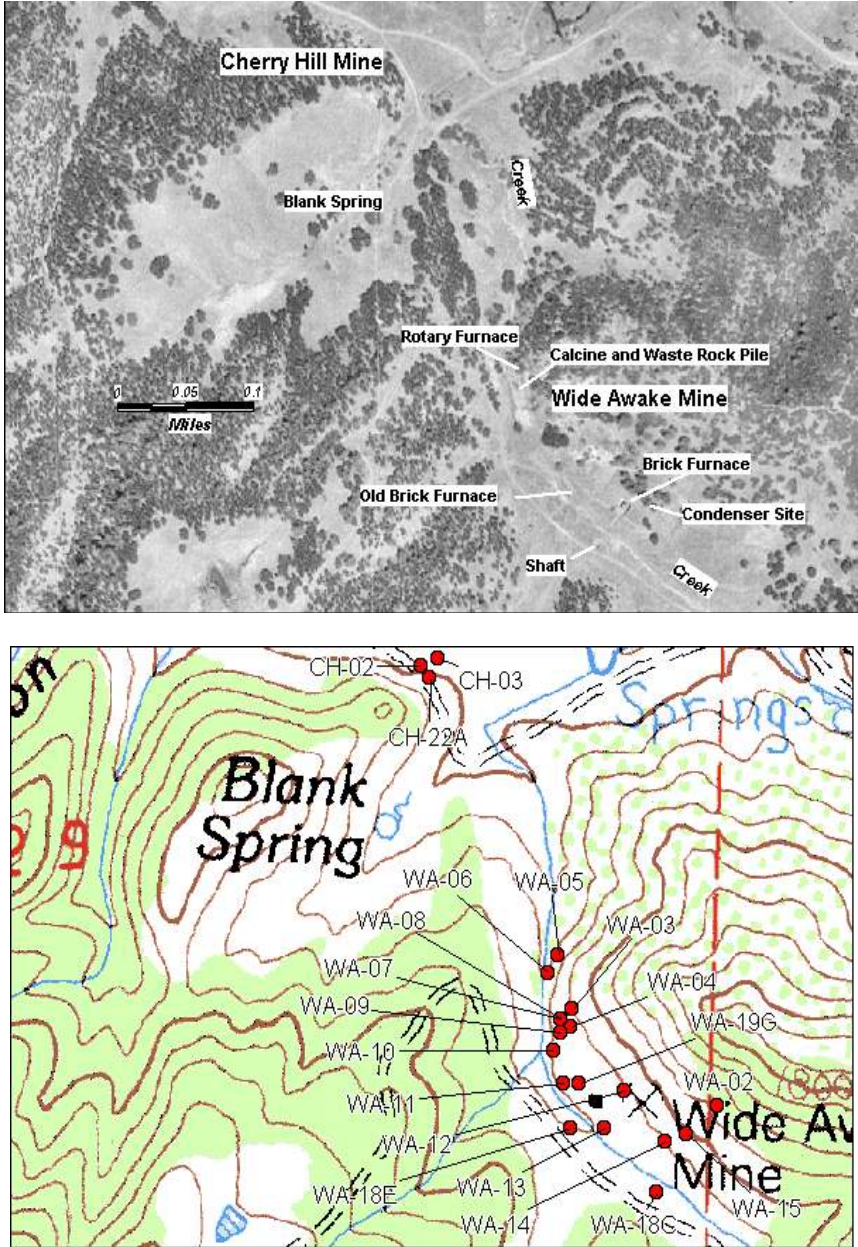


Mine Cleanup and Abatement Order

Responsible Parties	Glen Mills Inc., A California Corporation Period of Ownership, March 7, 1996 to June 7, 2005.
Parcel Controlled:	An undivided one half interest in and to the Wide Awake Quick Silver Lode Mining Claim represented by Lots 43 and 44 in Sections 28 and 29, Township 14 North, Range 5 West, M. D. B & M (Colusa County APN# 018-200-010-000) and the adjacent Colusa County APN's 18-200-11-000 and 18-200-12-000.
Map:	 <p>The figure consists of two maps. The top map is an aerial photograph showing the landscape around the Wide Awake Mine. Labels include 'Cherry Hill Mine' at the top, 'Blank Spring' in the center, 'Rotary Furnace' and 'Old Brick Furnace' in the middle, 'Wide Awake Mine' and 'Brick Furnace' to the right, and 'Calcine and Waste Rock Pile' and 'Condenser Site' further right. A 'Shaft' is also labeled. A scale bar indicates 0, 0.05, and 0.1 miles. The bottom map is a topographic map of the same area, showing contour lines and various claim identifiers: CH-02, CH-03, CH-22A, WA-06, WA-05, WA-08, WA-07, WA-09, WA-10, WA-11, WA-12, WA-18E, WA-13, WA-14, WA-15, WA-18G, WA-03, WA-04, WA-19G, WA-02, and WA-15. The 'Wide Awake Mine' is prominently labeled on the right side of the topographic map.</p> <p>Map source: CALFED Task 5C1 Appendices, September 2003.</p>

Waste Located on the Site:	<p>Contaminated media at Wide Awake Mine includes:</p> <ul style="list-style-type: none"> • 8,000 cubic yards of waste rock. • 20,000 cubic yards of processed mill tailings. • An estimated 400 kg of mercury remains at the Wide Awake Mine, almost entirely within the tailings and waste pile. • Furnaces and retorts are present. Significant processing took place on-site. • Ore from the Central, Empire, and possibly Manzanita Mine was milled at the Wide Awake Mine site. • Soil samples collected at 15 locations. Mercury concentrations of less than 10 to 1,040 ppm in soil and waste materials near furnaces. • Mercury concentrations detected in mine waste at Wide Awake Mine exceed both human health and ecological Preliminary Mitigation Goals.
Discharge:	<p>5C2 Report found that, "Past mining activities has likely increased mercury mobility from the Wide Awake Mine by placing mercury-bearing materials in piles subject to erosion.</p> <ul style="list-style-type: none"> • Mercury is mobilized by storm water runoff, slope failure, or water rock interaction from mine wastes at Wide Awake Mine and enters the unnamed intermittent tributary to Sulphur Creek. • Approximately 8 ton/yr of sediment is estimated to erode from the mine waste located immediately adjacent to and within the tributary to Sulphur Creek.
Ability to Control:	<p>The Responsible Party owned an undivided one half interest in and to the Wide Awake Mine between March 7, 1996 to June 7, 2005 and had the ability to prevent mine materials and enriched mercury soil from entering waterways. Specific activities could have included:</p> <ul style="list-style-type: none"> • Relocating material piles away from waterways. • Placing barriers, such as grass covered berms, between mine materials and waterways. • Recontouring and revegetation of material piles and areas of surface disturbance by mining activity to reduce erosion. • Redirection of storm runoff around material piles and areas of surface disturbance to reduce erosion. • Stabilization of stream banks containing enriched mercury alluvium to minimize erosion during storm events.
Legal Theory Holding Responsible Party Accountable	<p>Glen Mills is subject to the Order because Glen Mills held title to the property during the time when the waste piles were discharging mercury and other pollutants to surface waters, which caused exceedances of water quality objectives. Evidence that Glen Mills held title to the relevant parcels can be found in the documents referenced in this document, which are in the files of the Central Valley Water Board. The waste piles are still present on the property.</p> <p>California Water Code (CWC) section 13304 authorizes the Regional Water</p>

	<p>Boards to issue cleanup and abatement orders to any person who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and creates, or threatens to create, a condition of pollution or nuisance</p> <p>Glen Mills, by taking title to the property where mining waste piles were present, took title to the mining waste piles, and thereby assumed responsibility for appropriately managing the discharges from these waste piles. As these waste piles were eroding into surface waters during the time that Glen Mills held title to the property, Glen Mills qualifies a person who has, “caused or permitted waste to be discharged into waters of the state.”</p> <p>Studies conducted during the development of a TMDL for the Cache Creek Watershed, including the CalFed 5C2 Report, determined that the erosion of materials from the waste piles present on the parcels that Glen Mills controlled contributed to a condition of pollution, defined under CWC section 13050 as an alteration of the quality of waters of the state to a degree which unreasonably affects the waters for beneficial uses.</p> <p>In addition to the initial release of pollutants into the environment, the State Water Resources Control Board (State Board) has determined that the passive release of pollutants is considered a “discharge” of waste for the purposes of determining liability under CWC section 13304. (State Board Order No. WQ 86-2, In the Matter of the Petition of Zoecon Corporation; State Board Order No. WQ 92-13, In the Matter of the Petitions of Wenwest, Inc., et al.) The scope of Glen Mills’ property interests indicates that Glen Mills had the ability to control the discharge of the legacy wastes, but failed to do so.</p> <p>The State Board has ruled that liability for a cleanup ordered under section 13304 is joint and several. (State Board Order No. WQ 90-2, Petition of Union Oil Company.) However, the State Board has declined to apportion liability among responsible parties, leaving that determination to the parties themselves. It is the responsibility of Glen Mills to determine their responsibility relative to the other named dischargers, and to cooperatively address the tasks required of the responsible parties in the Order.</p>
Evidence in the Regional Water Board File	<ol style="list-style-type: none"> 1. Colusa County document # 96 000869 dated 7 March 1996, Trustee’s Deed Upon Sale showing that Glen Mills, Inc., a California Corporation received in foreclosure from North State Title Company (trustee for NBC Leasing Inc) Lots 43 and 44 in Sections 28 and 29, Township 14 North, Range 5 West, M. D. B & M. 2. Colusa County document #2005-0003732 dated 7 June 2005, Grant deed showing that Glen Mills, Inc., a California Corporation granted to Merced General Construction, Inc., Lots 43 and 44 in Sections 28 and 29, Township 14 North, Range 5 West, M. D. B & M.
Photographic evidence pertaining to this parcel (if	

available)



Photo1. Wide Awake Mine Brick Furnace above the unnamed intermittent tributary to Sulphur Creek. A Hydroxylamine HCl leaching procedure performed on soil below the condenser site and brick fragments and soil at the base of the furnace mobilized 6 and 21 percent of the total mercury within the respective samples. These values represented the highest mercury mobility of all the leaching analyses in the District during the CALFED study (CVWB Photo, 2002).



Photo 2. Processed tailings are typically red in color because of oxidized iron. Tailings are the solid waste material that remains after mercury ore is

processed in a furnace or retort. Mercury is being released from this Wide Awake Mine waste pile to Sulphur Creek by erosion from this waste pile into a small creek which is tributary to Sulphur Creek (CVWB Photo, 2002).



Photo 3. Approximately 8 ton/yr of sediment is estimated to erode from Wide Awake mine waste piles located immediately adjacent to and within a tributary to Sulphur Creek (CVWB Photo, June 2009).